

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
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In the Matter of)

1998 Biennial Regulatory Review –)

Streamlined Contributor Reporting)

Requirements Associated with)

Administration of Telecommunications)

Relay Services, North American)

Numbering Plan, Local Number)

Portability, and Universal Service Support)

Mechanisms)

CC Docket No. 98-171

COMMENTS OF THE
AMERICAN PUBLIC COMMUNICATIONS COUNCIL

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October 30, 1998

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Pursuant to the Commission's September 25, 1998 Notice of Proposed Rulemaking and Notice of Inquiry ("NPRM/NOI") on the above-captioned matter, FCC 98-171, American Public Communications Council ("APCC") hereby submits its comments. APCC is a national trade association representing over 3,000 independent providers of pay telephone equipment, services, and facilities. APCC seeks to promote competitive markets and high standards of service for pay telephones.

APCC Comments On Notice Of Proposed Rulemaking

APCC supports the Commission's efforts to reduce reporting burdens on providers of telecommunications services. By consolidating and streamlining various reporting requirements into one report, particularly those associated with telecommunications relay

services (“TRS”), the universal service fund (“USF”), the North American Numbering Plan Administration (“NANPA”), and local number portability (“LNP”), providers will need to spend significantly less time preparing and submitting revenue information. Currently, the Commission has multiple filing requirements with different dates for the support mechanisms, yet these filings often involve the same or similar data. As currently structured, the reporting requirements place the burden on providers of filing what amounts to the same data at different points during the year. Many of the payphone services providers (“PSPs”) that are members of APCC are small companies that have struggled with the need to commit significant resources to fulfill the burdensome and duplicative regulatory requirements that are currently in place. APCC applauds the Commission’s efforts to ease the burdens associated with the assessment of contributions to USF, TRS, NANPA, and LNP support mechanisms.

APCC supports the Commission’s proposal, in particular, to eliminate the minimum contribution rule for TRS. NPRM/NOI, ¶53. Currently, the contribution level is set at a minimum of \$100, which has forced many providers to make minimum TRS contributions that are disproportionately large compared to their total telecommunications revenues. Many APCC members are small telecommunications providers with relatively insignificant telecommunications revenue, and \$100 far exceeds what should be their actual contribution level.¹ By permitting small telecommunications providers, such as PSPs, to

¹ For some of the smallest PSPs, the \$100 minimum TRS payment could represent a payment larger than the after-cost profits received from end users during an entire year. Letter to Ms. Cynthia Wood from Geraldine A. Matsie, Chief, Network Services Division, Federal Communications Commission (May 7, 1998) (Denial of waiver for PSP of TRS Fund \$100 minimum contribution).

pay only what they should owe under the contribution formula instead of a \$100 minimum contribution, the Commission would be relieving small providers from paying more than their share of total TRS contributions.

APCC Comments on Notice of Inquiry

In its Notice of Inquiry, the Commission also sought comment on any steps it could take to rationalize further the various contribution mechanisms currently in place as well as reduce filing burdens on parties. NPRM/NOI ¶63. APCC supports the Commission's proposal to consolidate all billing and collection functions for the four specified support and cost recovery mechanisms. In addition, APCC suggests that the Commission could eliminate entirely another filing requirement simply by having the FCC calculate annual regulatory fees and bill contributors directly.

Currently, PSPs must calculate their own annual regulatory payment and remit the fee along with the FCC Form 159. As is the case with the other contribution mechanisms discussed in the NPRM/NOI, the annual regulatory fee is based on a percentage of interstate revenues, information which is already collected through the proposed Form 499. Because the Commission either collects or already has the information necessary to calculate PSPs annual regulatory fees, APCC suggests that the Commission simply "bill" PSPs directly for all regulatory fees, much as the Commission proposes to bill providers for the various contribution mechanisms. All of the information needed for direct billing of regulatory fees is contained in the FCC's Form 499 or is already in the possession of the FCC elsewhere. "Billing" by the FCC would eliminate for providers the burden of

calculating regulatory fees and would, thus, be a significant but relatively easy step for the Commission to take to rationalize its various regulatory fee and contribution mechanisms.

The Commission also asked parties to address the issue of whether “the creation of a single billing and collection agent” would “permit contributors to file a single check for multiple funding purposes.”² APCC suggests that the Commission adopt rules allowing contributors to file a consolidated check, but provide an option for contributors to pay the total amount due in quarterly payments. Many contributors, including PSPs, are small companies that would be unduly burdened by paying a lump sum payment at one specific point during the year. Quarterly payments of the amount due would ensure that relieving providers of the burden of filing multiple checks does not inadvertently impose on small business owners, such as PSPs, the burden of having to pay a total sum that would be difficult to pay all at once.

² NPRM/NOI, ¶ 64.

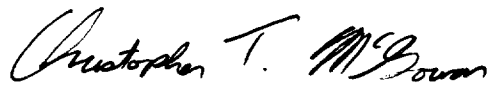
CONCLUSION

APCC generally supports the Commission's efforts to reduce regulatory filing burdens on contributors to FCC support mechanisms. APCC specifically urges the Commission to act on its proposal to eliminate the \$100 minimum payment requirement for contributions to the TRS Fund.

In response to the Notice of Inquiry, APCC suggests that the Commission directly bill parties for payment of FCC regulatory fees and also allow for quarterly payments of the consolidated regulatory fee and contribution mechanism total bill.

October 30, 1998

Respectfully submitted,



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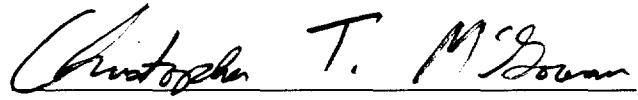
CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of October, 1998, I served by first class U.S. mail, postage prepaid, a copy of the foregoing Comments of American Public Communications Council to the following individuals at the addresses indicated:

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